

Message Text

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43

ACTION OPIC-06

INFO OCT-01 AF-08 ISO-00 EB-07 COME-00 TRSE-00 FEAE-00

CIAE-00 INR-07 NSAE-00 L-03 ERDA-05 AID-05 CEA-01

CIEP-01 DODE-00 FPC-01 H-02 INT-05 NSC-05 OMB-01

PM-04 USIA-06 SAM-01 OES-06 SP-02 SS-15 STR-04

ACDA-07 /103 W

----- 048586

R 190855Z AUG 76

FM AMEMBASSY LUSAKA

TO SECSTATE WASHDC 3830

LIMITED OFFICIAL USE LUSAKA 2100

E.O. 11652: N/A

TAGS: EINN, EFIN, ZA

SUBJECT: EMBASSY COMMENTS ON MOBIL OIL APPLICATION
FOR OPIC COVERAGE

REF: MEMORANDUM OF 8/3/76 ELLA E. VICK, APPLICATIONS
OFFICER, INSURANCE DIVISION/OPIC

1. MOBIL (ZAMBIA) LTD HAS BEEN IN FREQUENT CONTACT
WITH EMBASSY RE PROPOSED INVESTMENT IN LUBE OIL
BLENDING PLANT IN PARTNERSHIP WITH STATE CONTROLLED
ZAMBIA NATIONAL ENERGY CORPORATION. OUR IMPRESSION IS
THAT PROJECT WOULD RESULT IN SIGNIFICANT FOREIGN
EXCHANGE SAVINGS AND IS COMPATIBLE WITH PREVAILING
GRZ ATTITUDE ON INVOLVEMENT OF FOREIGN
MULTINATIONALS IN ZAMBIA ECONOMY, I.E. THEY ARE
WELCOME TO THE EXTENT ZAMBIA ALLOWED TO PARTICIPATE
AND INVESTMENT LEADS TO IMPORT SUBSTITUTION. SINCE
GRZ ENTITY WILL BE MAJORITY EQUITY SHAREHOLDER
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IT HIGHLY UNLIKELY THAT MOBIL INVOLVEMENT WILL

AROUSE HOST COUNTRY SENTIMENT ADVERSE TO THE U.S.

2. BELIEVE OVERALL IMPACT OF PROPOSED INVESTMENT ON
U.S. WILL BE POSITIVE. WHETHER OR NOT IT IS
DESIRABLE PUBLIC POLICY, WE MUST ACCEPT FACT THAT GRZ HAS
OPTED FOR ECONOMIC SYSTEM OF STATE CAPITALISM.
OUR LONG TERM INTERESTS ARE BEST SERVED BY MAKING
STATE CONTROLLED ENTERPRISES EFFICIENT AND
ECONOMICALLY SELF-SUSTAINING AND THIS IS BEST
ACHIEVED THROUGH PROVISION OF MANAGEMENT
AND TECHNICAL SKILLS THROUGH PRIVATE FOREIGN
INVESTORS.

3. EMBASSY RECOMMENDS FAVORABLE OPIC ACTION PROVIDED
MOBIL FINALIZES AGREEMENT WITH NATIONAL ENERGY
CORPORATION.
CLINGERMAN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INSURANCE, PETROLEUM, REFINERIES, INVESTMENT OPPORTUNITIES
Control Number: n/a
Copy: SINGLE
Draft Date: 19 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LUSAKA02100
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760318-0441
From: LUSAKA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760839/aaaabhjb.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUL 2004 by MartinML>; APPROVED <18 OCT 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EMBASSY COMMENTS ON MOBIL OIL APPLICATION FOR OPIC COVERAGE
TAGS: EINV, EFIN, ZA, OPIC, MOBIL
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006